GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1456
ANSWERED ON:30.07.2003
TECHNOLOGY OBLIGATIONS OF PRIVATE SERVICE OPERATORS COL. RETD. SONA RAM CHOUDHARY
BHARTRUHARI MAHTAB

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether private service operators have certain rural telephony obligations according to their licences;

(b) if so, the details thereof;

(c) the number of village to be covered by these private service operators in each of the State, State-wise;

(d) whether they have to pay to the Government any liquidated damages for non-commissioning of the promised services;

(e) if so, the details thereof; and

(f) the steps the Government propose to take to make them fulfil their commitments?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY(SHRI PRADHAN)

(a) Yes, Sir.

(b) & (c) The details of number of Village Public Telephones (VPTs) committed to be provided by the private basic service operators are given in the Annuexure. The licences granted from July, 2001 to October, 2001 to various companies for providing Basic Telephone Service do not have roll out obligations in terms of coverage of VPTs but in terms of establishment of `Point of Presence` in equal proportion in each category of Urban, Semi-urban and rural Short Distance Charging Area (SDCA) typically a tehsil.

(d) Yes, Sir.

(e) Details of Liquidated Damage charge (LD) recovered from private Basic Service Operators are as follows:-

Name of the operator	Service Area	Total LD Charged for non commissioning of service & delay in provision of VPTs and DELs (Rs. in crores)	LD for delay in provision of VPT and DEL (Rs. in crores)	LD Charged for non commissioning of service (Rs.in crores)
Bharti Telenet Ltd.	Madhya Pradesh	4.00	4.00	Nil
Tata Teleservices Ltd.	Andhra Pradesh	13.00	6.50	6.50
Tata Teleservices (Maharashtra) Ltd.	Maharashtra	7.75	6.50	1.25
Reliance Telecom Ltd.	Gujrat	13.00	6.50	6.50
Shyam Telelink Ltd.	Rajasthan	8.00	4.00	4.00
HFCL Infotel Ltd.	Punjab	8.00	4.00	4.00
		53.75	31.50	22.25

Total:

(f) The private Basic Service Operators have been asked to fulfil their roll out obligations by providing VPTs in remaining uncovered villages by December, 2003 progressively failing which steps for encashment of Performance Bank Guarantees will be initiated. In the first phase, it has been stipulated that VPTs may not be provided in the depopulated villages, villages with population less than 100, villages affected by Naxalite and insurgency problems and villages to be covered through satellite media. Further, four operators have submitted additional Performance Bank Guarantees of Rs.50 crores at the time of signing new licence for basic services.

ANNEXURE

The details of number of Village Public Telephones (VPTs) committed to be provided by the private basic service operator

Name of the operators	Service Area	Effective date of licence	No. of VPTs Committed in first three years of effective date of licence
Bharti Telenet Ltd.	Madhya Pradesh	30.9.1997	16500
Tata Teleservices Ltd.	Andhra Pradesh	30.9.1997	9635
Tata Teleservices (Maharashtra) Ltd.	Maharashtra	30.9.1997	25760
Reliance Telecom Ltd.	Gujrat	30.9.1997	8635
Shyam Telelink Ltd.	Rajasthan	4.3.1998	36727
HFCL Infotel Ltd.	Punjab	30.9.1997	5442
		Total	97806

These commitments were to be met by 30.9.1998 in case of Andhra Pradesh, Gujarat, Punjab and by 30.9.1999 incase of Maharashtra. Further, in the event of villages still remaining uncovered on the completion of said three years period, the licence stipulated an obligation on the part of licensee to maintain or exceed its committed rate till all villages get covered with VPTs.